

MAY 28 1987

Retired Colonel Provides Details Of Contra Airlift

Dutton Says 1986 Shipment Was 'Special Operation' Run From White House

By DAVID ROGERS
And EDWARD T. POUND

Staff Reporters of THE WALL STREET JOURNAL
WASHINGTON—Retired Air Force Col. Robert Dutton testified that the secret airlift of arms to Nicaraguan insurgents in 1986 was a "special operation" run from the White House.

A 20-year veteran of covert operations, Col. Dutton testified that he began managing the airlift immediately after his retirement from the military in May 1986. He said he regarded Marine Lt. Col. Oliver North as his "co-commander," along with retired Air Force Maj. Gen. Richard Secord.

"You'll never get a medal for this," Col. Dutton said Col. North told him once the airlift had achieved some success last fall. "But some day the president will shake your hand and thank you."

Appearing before House and Senate committees investigating the Iran-Contra affair, Col. Dutton provided the most complete account yet of the operation that funneled tons of arms to the Contra forces during the time Congress had banned U.S. military aid to the rebels. He also disclosed new details regarding cash transfers to Col. North during this period. And under questioning, the colonel contradicted Gen. Secord's denial that he had ever proposed selling the operation's assets to the Central Intelligence Agency.

Persistent Tensions Described

Col. Dutton said bad weather and poor equipment dogged the airlift, and he described persistent tensions with a second covert operator, Felix Rodriguez, who had his own contacts in the White House and El Salvador, where the planes were based. Mr. Rodriguez, appearing later, told the committees he suspected Gen. Secord was charging excessive prices on arms he sold to the Contras. Mr. Rodriguez also said Col. North tried to silence his criticism.

A veteran of CIA and U.S. military operations in Central America and Vietnam, Mr. Rodriguez said he discussed his concerns about Gen. Secord with Donald Gregg, an aide to Vice President George Bush. He said the feud led Col. North, citing secret intelligence intercepts, to warn him that he was jeopardizing the airlift's security.

In a colorful exchange, Mr. Rodriguez said that during a June 1986 meeting at the White House, Col. North boasted implicitly of his ties to President Reagan. Gesturing at a television screen showing congressional debate on aid to the insurgents, Col. North said "Those people want me but they can't touch me." Mr. Rodriguez recalled. Col. North explained that the "old man loves. . . (me)," according to Mr. Rodriguez.

Gen. Secord previously testified that the airlift operation began in 1985, but Col. Dutton's account indicates it was slow to achieve its major goal of resupplying a second front for the resistance in southern Nicaragua.

He said British crews initially were hired to make runs deep inside Nicaragua, but this option was dropped in June 1986 in favor of using American pilots and loaders who had been flying shorter routes along the northern border for the main Contra army, the Nicaraguan Democratic Force.

CIA Official Helped Direct Drops

The CIA station chief in Costa Rica—identified by Col. Dutton as "Joe"—helped direct the drops, and in two cases, the same official and a U.S. military officer in Costa Rica helped to arrange the refueling of planes used in successful runs last summer. By September 1986, when a regular pattern had been established, the same station chief, who is expected to appear before the panels in a closed session today, provided what almost amounted to a "schedule" for the planes, Col. Dutton said. He testified that as many as 90,000 tons of supplies and arms were delivered that month.

As a private employee of Gen. Secord,

Col. Dutton also was involved in aspects of the U.S. arms sales to Iran during 1986. But he appeared to have only limited knowledge about the link between that operation and the airlift he was helping to manage—even though his \$5,000-a-month salary was paid for a time from foreign accounts linked to the Iran sales.

In August 1986, Col. Dutton said he was instructed to arrange to have a package picked up for Col. North at the offices of the Miami-based freight carrier, Southern Air Transport. He said he only learned subsequently that the package contained \$16,000 in cash. A source close to Southern Air said the company assumed the money was linked to the airlift. But since Col. Dutton, the manager of the airlift operation, testified that he didn't know about the contents of the package, it appears the money may have been used in other initiatives pursued by Col. North and Gen. Secord.

Photographic Record Prepared

As the airlift achieved success, Col. Dutton said he prepared a photographic record of the successful supply drops to the Contras, and even gave Col. North an album, which the fired National Security Council aide said he would show his "top boss." Col. Dutton said, "I understood (North) was talking about the president."

Gen. Secord, in his appearance before the committees, denied ever proposing that the private airlift's assets be leased or sold to the CIA. But Col. Dutton said that in July 1986 he prepared a memorandum supporting the idea of a sale at Gen. Secord's direction.

"I gave it to you the way I know it," Col. Dutton testified, when pressed on the apparent contradiction. Although no sale ever took place, lawmakers consider the issue important in judging whether Mr. Secord sought to profit from his involvement in the Iran-Contra affair.

Mr. Rodriguez, who coordinated the Contra air resupply with El Salvadoran officials, said he met several times with aides to Mr. Bush, and three times with the vice president himself, between December 1984 and August 1986. He said that he initially refrained from discussing the Contra resupply operation with these officials, but that last Aug. 8 he disclosed the details to Mr. Gregg, a longtime friend, and to Army Col. Samuel Watson, another Bush aide.

A chronology released by the vice president's office last December gave only a brief account of the Aug. 8 meeting. Notes released yesterday show that Mr. Gregg recorded Mr. Rodriguez's concerns—including his fears about past ties between people in Gen. Secord's operation and renegade CIA agent Edwin Wilson, who was imprisoned a few years ago for illegally shipping explosives to Libya.

Yesterday's testimony came as the committees postponed hearing from Gen. Secord's business partner, Albert Hakim. Mr. Dutton said he believed Mr. Hakim controlled bank accounts used in the Iran-Contra operation. Separately, investigators said that the bulk of the remaining profits from the weapon sales to Iran—an estimated \$6.5 million—was moved out of Switzerland after the operation was disclosed last fall.